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## ***Financial Report***

***The Private Industry Council  
for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)***

***Houma, Louisiana***

***June 30, 2000***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-24-01

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June 30, 2000

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**Bourgeois Bennett**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of The Private Industry  
Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.,  
Houma, Louisiana.

We have audited the accompanying general-purpose financial statements of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc., (the P.I.C.), a component unit of the Lafourche Parish Council, State of Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the P.I.C.'s management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated October 30, 2000 on our consideration of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. taken as a whole. The accompanying combining and individual fund financial statements, schedule of functional expenditures, graph of functional expenditures for the year ended June 30, 2000 and schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements for the year ended June 30, 2000 taken as a whole.

We also have previously audited, in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the balance sheets of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. as of June 30, 1999 and 1998, and the related statements of revenues, expenditures and changes in fund balance for each of the two years in the period ended June 30, 1999 (none of which is presented herein), and we expressed unqualified opinions on those financial statements. In our opinion, the information presented in the schedule of functional expenditures and graph of functional expenditures for the years ended June 30, 1999 and 1998 are fairly stated in all material respects in relation to the general-purpose financial statements from which it has been derived.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 30, 2000.

**COMBINED BALANCE SHEET -**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

June 30, 2000

	Governmental Fund Type Special Revenue	Fiduciary Fund Type Pension Trust	Account Group General Fixed Assets	Total (Memorandum Only)
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets</b>				
Cash	\$ 1,080	\$ -	\$ -	\$ 1,080
Investments	-	485,082	-	485,082
Due from the State of Louisiana	71,984	-	-	71,984
Receivables - miscellaneous	763	-	-	763
Due from other funds	34,889	-	-	34,889
Fixed assets	-	-	777,178	777,178
Total assets	<u>\$ 108,716</u>	<u>\$ 485,082</u>	<u>\$ 777,178</u>	<u>\$ 1,370,976</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenditures	\$ 73,827			\$ 73,827
Due to other funds	<u>34,889</u>			<u>34,889</u>
Total liabilities	<u>108,716</u>			<u>108,716</u>
<b>Equity and Other Credits</b>				
Investments in general fixed assets			\$ 777,178	777,178
Fund balances:				
Reserved for employees' retirement system		<u>\$ 485,082</u>	<u>-</u>	<u>485,082</u>
Total equity and other credits	<u>-</u>	<u>485,082</u>	<u>777,178</u>	<u>1,262,260</u>
Total liabilities, equity and other credits	<u>\$ 108,716</u>	<u>\$ 485,082</u>	<u>\$ 777,178</u>	<u>\$ 1,370,976</u>

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

For the year ended June 30, 2000

	<u>Special Revenue</u>
<b>Revenues</b>	
Intergovernmental	<u>\$ 1,870,370</u>
 <b>Expenditures - Economic Development and Assistance</b>	
Current:	
Administrative	281,379
Training	1,314,359
Training related/supportive service	<u>274,632</u>
 Total expenditures	<u>1,870,370</u>
 <b>Excess of Revenues Over Expenditures</b>	-
 <b>Fund Balance</b>	
Beginning of year	<u>-</u>
 End of year	<u><u>\$ -</u></u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN FUND BALANCE - FIDUCIARY FUND TYPE**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

For the year ended June 30, 2000

	<u>Pension Trust Fund</u>
<b>Operating Revenues</b>	
Contributions	\$ 81,468
Investment earnings	<u>17,695</u>
Total operating revenues	99,163
<b>Operating Expenses</b>	
Distributions to participants	<u>49,628</u>
<b>Net Income</b>	49,535
<b>Fund Balance</b>	
Beginning of year	<u>435,547</u>
End of year	<u><u>\$ 485,082</u></u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

June 30, 2000

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc., conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

**a) Reporting Entity**

The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (the P.I.C.), is a component unit of the Lafourche Parish Council (the Parish).

The P.I.C. receives the revenue reported in its Special Revenue Funds from federal financial assistance grants provided by the Job Training Partnership Act of 1982 and a Welfare-to-Work Grant.

The P.I.C. was incorporated as a non-profit corporation on August 28, 1987. The P.I.C., under an administrative agreement effective January 1, 1988, with the Parish, serves to administer the job training plan pursuant to the Job Training Partnership Act in the Parishes of Assumption, Lafourche and Terrebonne, which have been designated as Service Delivery Area Thirty-One.

The P.I.C. has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Fund Structure**

The accounting system is organized and operated on a fund basis whereby a separate, self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are grouped, in the financial statements in this report, into two broad fund categories and two generic fund types as follows:

**Governmental Funds**

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Fiduciary Fund**

**Pension Trust Fund** - The Pension Trust Fund is used to account for assets of the 401(k) plan held by the P.I.C. in a trustee capacity for employees. The Pension Trust Fund is used to account for operations where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance.

**Account Group**

Account groups are used to establish accounting control and accountability. The P.I.C.'s Account Group is as follows:

**General Fixed Assets Account Group** - This account group is used to account for fixed assets not accounted for in proprietary or trust funds.

**c) Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Accounting (Continued)**

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is accumulated unpaid vacation and sick pay which is recognized when due.

The P.I.C. receives funding as pass-through grants from the Parish. The Louisiana Department of Labor and the Louisiana Department of Education reimburse the P.I.C. through the Parish on a reimbursement for actual expenditures paid basis.

The Pension Trust Fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**d) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**e) Operating Budgetary Data**

The P.I.C. is a quasi-governmental entity which is not legally required to adopt budgets. A budget for each Special Revenue Fund is submitted to the respective state grantor departments for approval. Funding is from intergovernmental grants received from the Louisiana Department of Labor and the Louisiana Department of Education. Some budgets are prepared on a June 30 and others on a September 30 fiscal year basis to coincide with intergovernmental grants received from the Louisiana Department of Labor and the Louisiana Department of Education. Due to the above, budget to actual comparisons are not presented for the year ended June 30, 2000.

**f) Accounts Receivable**

The financial statements for the P.I.C. contain no allowance for uncollectible accounts. Uncollectible accounts are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts, if any, are not considered to be material in relation to the financial position or operation of the funds.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g) Investments**

Investments are stated at fair value, as measured by quoted market price.

**h) Fixed Assets**

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized along with other fixed assets. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost.

**i) Vacation and Sick Leave**

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid in all governmental funds.

Employees can earn twelve, eighteen or twenty-four days per year vacation leave, depending on their length of employment. Accumulated vacation leave benefits are due to the employee, at the time of termination or death. The vacation policy provides that employees are to take vacation within one year of being earned, but after January 1 of the following year. Employees may accumulate and carryforward no more than forty hours of annual leave from one year to the next.

Employees earn seven days of sick leave per year and are permitted to accumulate sick leave from one year to the next. As of December 31, 1998 employees were paid for sick leave accumulated in excess of 60 hours. Beginning January 1, 1999, staff accumulated 5 hours per month for sickness and only sick time accumulated prior to January 1, 1999 is allowed to carryover to subsequent years.

Accumulated vacation and sick leave benefits were reported as a liability in the General Long-Term Obligations Account Group. As of June 30, 2000, all liabilities related to accumulated vacation and sick leave benefits were settled, See Note 13.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**j) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the P.I.C.

**k) Memorandum Only-Total Columns**

The total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations, in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

**Note 2 - CASH AND INVESTMENTS**

The P.I.C. is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. At year end, the P.I.C.'s carrying amount of deposits was \$1,080 and the bank balance was \$38,904. The entire bank balance of \$38,904 was covered by federal depository insurance (Category 1). There were no investments other than those in the 401(k) plan (see Note 10). Investments of the 401(k) plan are not collateralized (Category 3).

**Note 3 - DUE FROM THE STATE OF LOUISIANA**

Amounts due from the State of Louisiana at June 30, 2000 consisted of the following:

State of Louisiana -	
Department of Labor	\$57,386
Department of Education	<u>14,598</u>
Total	<u>\$71,984</u>

**Note 4 - INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Such balances at June 30, 2000 are as follows:

<u>Individual Funds</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds:		
II-A Fund	\$34,889	\$ -
II-C Fund	-	9,854
8% Fund	-	8,601
Title III Fund	-	3,803
Welfare-to-Work Fund	<u>-</u>	<u>12,631</u>
Total Special Revenue Funds	<u>\$34,889</u>	<u>\$34,889</u>

**Note 5 - CHANGES IN FIXED ASSETS**

A summary of changes in fixed assets follows:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Office furniture, equipment and fixtures	\$1,458,839	\$ -	\$792,903	\$665,936
Machinery and equipment	<u>118,129</u>	<u>-</u>	<u>6,887</u>	<u>111,242</u>
Totals	<u>\$1,576,968</u>	<u>\$ -</u>	<u>\$799,790</u>	<u>\$777,178</u>

The deletions relate primarily to obsolete computer and other electronic equipment disposed pursuant to instructions from the Louisiana Department of Labor.

**Note 6 - LONG-TERM OBLIGATIONS**

The following is a summary of the changes in long-term obligations of the P.I.C. for the year ended June 30, 2000:

Long-term obligations, July 1, 1999	\$ 76,014
Net decrease in accumulated unpaid vacation and sick leave	<u>(76,014)</u>
Long-term obligations, June 30, 2000	<u>\$ -</u>

**Note 7 - OFFICE AND AUTO RENTALS**

Office space and automobiles are rented on a month-to-month basis. Rental expenditures incurred on the offices and the automobiles amounted to \$94,584 during the year ended June 30, 2000.

**Note 8 - RISK MANAGEMENT**

The P.I.C. is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the P.I.C. carries commercial insurance. No settlements were made during the year that exceeded the P.I.C.'s insurance coverage.

**Note 9 - IN-KIND CONTRIBUTIONS**

The Welfare-to-Work program requires a state-wide match. The Louisiana Department of Labor has informed the P.I.C. that it can only provide 50 percent of the required match and has requested the P.I.C. to provide cash and/or in-kind services for the remainder of the match. The P.I.C. has not recorded any amounts in the financial statements for the value of donated services because there is no objective basis available to the P.I.C. to measure the value of such services. However, for the year ended June 30, 2000 the P.I.C. placed a value of approximately \$10,900 on these services for record keeping purposes. While these contributions have not been reported, the offsetting expenditures have also not been reported.

**Note 10 - DEFINED CONTRIBUTION PLAN**

**A. Plan Description**

The P.I.C. 401(k) Retirement Plan was established to provide retirement benefits to all permanent full-time employees having completed at least one year of service. At June 30, 2000, there were 25 plan members. Participants are permitted to contribute in any amount up to 15% of their compensation not to exceed \$10,000. The P.I.C. matches 100% of the employee contributions not to exceed 5% of the employee's compensation. Plan provisions and contribution requirements are established and may be amended by the P.I.C.

**Note 10 - DEFINED CONTRIBUTION PLAN (Continued)**

**B. Significant Accounting Policies**

Basis of accounting - the P.I.C. Retirement Plan financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that the contributions are due.

Method used to value investments - plan investments are reported at fair value.

**C. Concentrations**

Investments in the plan at June 30, 2000 consisted of shares of registered investment companies within The One Group family of funds and participant loans, as follows:

Shares of Registered Investment Companies:	
Prime Money Market Fund	\$ 6,289
Income Bond Fund	16,466
Short-Term Bond Fund	1,771
Government Bond Fund	140
Equity Income Fund	72,373
Equity Index Fund	197,495
Diversified Equity Fund	135,786
Small Capitalization Growth Fund	39,587
Participant Loans	<u>15,175</u>
 Total plan investments	 <u>\$485,082</u>

**Note 11 - ECONOMIC DEPENDENCY**

The P.I.C. receives its revenue from funds provided through grants administered by the Louisiana Department of Labor and the Louisiana Department of Education. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state levels the amount of the funds the P.I.C. receives could be reduced significantly and have an adverse impact on its operations.

**Note 12 - COMPENSATION OF BOARD OF DIRECTORS**

No compensation was paid to Directors of the Private Industry Council for the year ended June 30, 2000.

**Note 13 - SUBSEQUENT EVENT**

The United States Congress passed legislation repealing the Job Training Partnership Act and replacing it with the Workforce Investment Act (W.I.A.). The legislation and related regulations provide that the W.I.A. will replace current JTPA grants, not later than June 30, 2000, except those current JTPA grants scheduled to expire June 30, 2000 that have been modified and extended to September 30, 2000 in order to provide for the continuation of services to current participants. In the implementation of W.I.A., the State of Louisiana has chosen to create local Workforce Investment Boards to replace the local Private Industry Councils. Accordingly, the local Workforce Investment Board functioned as the administrative entity over the JTPA funds during the period July 1, 2000 through September 30, 2000.

Effective July 1, 2000 the Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (P.I.C.) relinquished its corporate authority to a new board of directors. Simultaneously, the entity applied for and received a change of name to The Work Connection, Inc. Furthermore, all assets and liabilities of the P.I.C. incurred in the administration of the Job Training Partnership Act were transferred to the local Workforce Investment Board for final resolution. This transfer included all assets and liabilities contained in the Combined Balance Sheet, Exhibit A, except for the assets and liabilities reported in the Pension Trust Fund.

In the fiscal year ending June 30, 2001, The Work Connection, Inc. will provide job training and other services under the oversight of the local Workforce Investment Board and will be funded primarily with funds provided under W.I.A. The local Workforce Investment Board will allow The Work Connection, Inc. the use of office furniture and equipment to perform necessary services.

## **SPECIAL REVENUE FUNDS**

**II A Fund** - To account for funds received under Title II-A of the Job Training Partnership Act. Funds are used to increase the employability of economically disadvantaged adults through participation in classroom and on-the-job training and work experience. In addition, employer outreach, job search and direct placement activities are conducted.

**II B Fund** - To account for funds received under Title II-B of the Job Training Partnership Act. Funds are used to increase the employability of economically disadvantaged youth through the Job Training Partnership Act Summer Youth Employment Program.

**II C Fund** - To account for funds received under Title II-C of the Job Training Partnership Act. Funds are used to increase the employability of economically disadvantaged youth through participation in classroom and on-the-job training, work experience and exemplary youth programs. In addition, employer outreach, job search and direct placement activities are conducted.

**8% Fund** - To account for Education Set aside funds received under the Job Training Partnership Act passed through the Louisiana Department of Education. Funds are used to provide classroom training to economically disadvantaged youths and adults in occupations in which the participants may be placed in unsubsidized employment.

**Title III Fund** - To account for funds received under Title III of the Job Training Partnership Act. Funds are used to increase the employability of dislocated workers through classroom training and on- the-job training programs.

**Title III N National Reserve Grant Fund** - To account for funds received under Title III of the Job Training Partnership Act. Fund are used to increase the employability of dislocated workers in the marine and shipbuilding industries through classroom training and on-the-job training programs.

**Welfare-To-Work-Fund** - To account for funds received under the Welfare-to-Work Grant. Funds are used to target the hard to employ and to assure the appropriate activities and services are provided to help these participants achieve self-sufficiency.

## **SUPPLEMENTARY INFORMATION SECTION**

## **COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a the Work Connection)**

June 30, 2000

	<b>Title II-A Fund</b>	<b>Title II-C Fund</b>	<b>8% Fund</b>	<b>Title III Fund</b>
<b>Assets</b>				
Cash	\$ 1,080	\$ -	\$ -	\$ -
Due from the State of Louisiana	-	29,747	14,597	11,384
Receivables - miscellaneous	763	-	-	-
Due from other funds	34,889	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u><u>\$ 36,732</u></u>	<u><u>\$ 29,747</u></u>	<u><u>\$ 14,597</u></u>	<u><u>\$ 11,384</u></u>
<b>Liabilities</b>				
Accounts payable and accrued expenditures	\$ 36,732	\$ 19,893	\$ 5,996	\$ 7,581
Due to other funds	-	9,854	8,601	3,803
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	36,732	29,747	14,597	11,384
<b>Fund Balances</b>				
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u><u>\$ 36,732</u></u>	<u><u>\$ 29,747</u></u>	<u><u>\$ 14,597</u></u>	<u><u>\$ 11,384</u></u>

Welfare- to- Work Fund	Total
\$ -	\$ 1,080
16,256	71,984
..	763
..	34,889
<u>\$ 16,256</u>	<u>\$ 108,716</u>
\$ 3,625	\$ 73,827
12,631	34,889
<u>16,256</u>	<u>108,716</u>
-	-
<u>\$ 16,256</u>	<u>\$ 108,716</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a the Work Connection)**

For the year ended June 30, 2000

	<u>Title II-A Fund</u>	<u>Title II-B Fund</u>	<u>Title II-C Fund</u>	<u>8% Fund</u>
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Department of Labor	\$ 540,131	\$ 111,716	\$ 471,381	\$ -
Department of Education	-	-	-	26,655
	<u>540,131</u>	<u>111,716</u>	<u>471,381</u>	<u>26,655</u>
Total revenues	<u>540,131</u>	<u>111,716</u>	<u>471,381</u>	<u>26,655</u>
<b>Expenditures - Economic Development and Assistance</b>				
Current:				
Administrative:				
Personal services	88,897	11,462	49,012	168
Supplies and materials	1,947	182	1,419	-
Other services and charges	36,458	2,334	17,637	19
Repairs and maintenance	2,161	309	1,441	-
	<u>129,463</u>	<u>14,287</u>	<u>69,509</u>	<u>187</u>
Training:				
Personal services	168,271	16,666	256,533	26,462
Supplies and materials	38,904	1,124	30,021	-
Other services and charges	114,860	10,231	53,618	6
Repairs and maintenance	10,323	2,549	12,090	-
	<u>332,358</u>	<u>30,570</u>	<u>352,262</u>	<u>26,468</u>
Training related/supportive service:				
Personal services	61,659	66,859	45,483	
Supplies and materials	1,752	-	-	
Other services and charges	12,872	-	4,091	
Repairs and maintenance	2,027	-	36	
	<u>78,310</u>	<u>66,859</u>	<u>49,610</u>	
Total expenditures	<u>540,131</u>	<u>111,716</u>	<u>471,381</u>	<u>26,655</u>
<b>Excess of Revenues Over Expenditures</b>	-	-	-	-
<b>Fund Balances</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Title III Fund</u>	<u>Title III N National Reserve Grant Fund</u>	<u>Welfare- to- Work Fund</u>	<u>Total</u>
\$ 374,230	\$ 40,972	\$ 305,285	\$ 1,843,715
-	-	-	26,655
<u>374,230</u>	<u>40,972</u>	<u>305,285</u>	<u>1,870,370</u>
27,434	-	16,044	193,017
-	-	-	3,548
12,781	201	11,473	80,903
-	-	-	3,911
<u>40,215</u>	<u>201</u>	<u>27,517</u>	<u>281,379</u>
151,729	16,266	169,513	805,440
50,292	854	8,079	129,274
108,543	5,118	39,491	331,867
10,164	1,664	10,988	47,778
<u>320,728</u>	<u>23,902</u>	<u>228,071</u>	<u>1,314,359</u>
-	15,713	-	189,714
-	-	168	1,920
13,287	1,156	49,529	80,935
-	-	-	2,063
<u>13,287</u>	<u>16,869</u>	<u>49,697</u>	<u>274,632</u>
<u>374,230</u>	<u>40,972</u>	<u>305,285</u>	<u>1,870,370</u>
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF FUNCTIONAL EXPENDITURES****The Private Industry Council for the Terrebonne Consortium,****Service Delivery Area Thirty-One, Inc.****(d/b/a the Work Connection)**

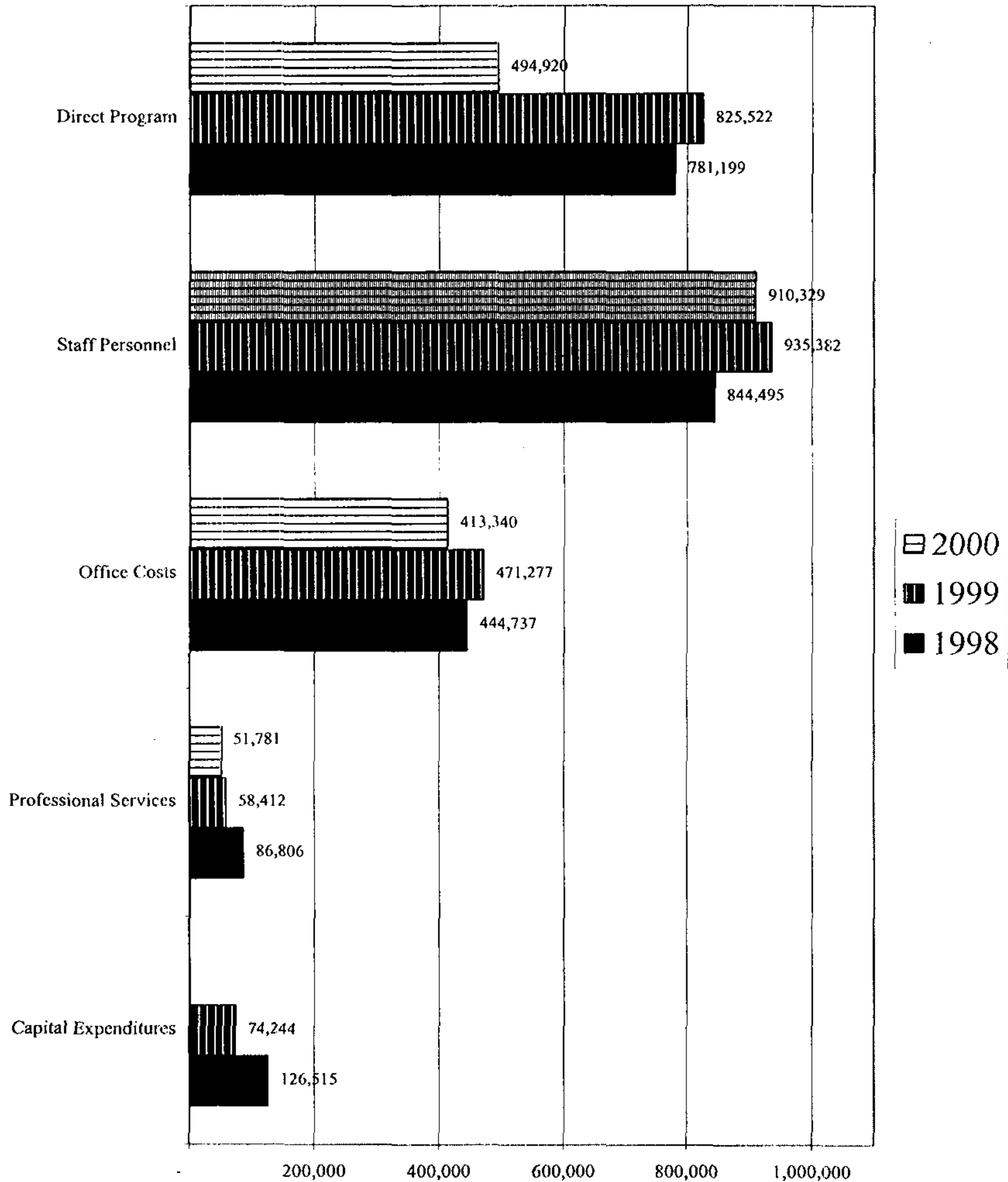
For the years ending June 30, 2000, 1999 and 1998

	2000	1999	1998
<b>Direct Program</b>			
Wages, P/R taxes & ins.	\$ 281,171	\$ 622,357	\$ 622,676
Tuition	154,908	160,682	89,157
Room and board	4,440	5,409	-
Contractual services	15,713	-	-
Child care	38,688	37,074	69,366
	<u>494,920</u>	<u>825,522</u>	<u>781,199</u>
<b>Staff Personnel</b>			
Compensation - staff	693,596	724,257	653,559
W/C & health ins.	129,616	125,675	109,321
Payroll taxes	54,981	53,658	49,204
Retirement plan	32,136	31,792	32,411
	<u>910,329</u>	<u>935,382</u>	<u>844,495</u>
<b>Office Costs</b>			
Occupancy	102,933	92,808	107,625
Supplies	127,514	149,480	150,482
Travel	30,464	46,837	41,124
Repairs and maintenance	53,752	85,533	55,067
Auto costs	11,117	16,577	12,085
Telephone	37,712	32,715	30,483
Miscellaneous	29,810	28,077	28,743
Equipment rental	1,734	2,577	647
Other insurance	9,186	6,299	5,962
Meals	-	52	1,216
Postage	5,417	5,999	4,913
Dues and subscriptions	3,701	4,323	6,390
	<u>413,340</u>	<u>471,277</u>	<u>444,737</u>
<b>Professional Services</b>			
Accounting fees	16,840	11,500	8,897
Legal fees	10,403	11,655	22,712
Professional fees - consulting	23,195	28,744	33,363
Advertising	1,343	6,513	21,834
	<u>51,781</u>	<u>58,412</u>	<u>86,806</u>
<b>Capital Expenditures</b>	<u>-</u>	<u>74,244</u>	<u>126,515</u>
<b>Total Expenditures</b>	<u>\$ 1,870,370</u>	<u>\$ 2,364,837</u>	<u>\$ 2,283,752</u>

**FUNCTIONAL EXPENDITURES**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a the Work Connection)**

For the years ending June 30, 2000, 1999 and 1998



**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



**Bourgeois Bennett**

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of The Private Industry  
Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.,  
Houma, Louisiana.

We have audited the general-purpose financial statements of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc., (the P.I.C.), a component unit of Lafourche Parish Council, State of Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated October 30, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the P.I.C.'s general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the P.I.C.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting

would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information and use of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 30, 2000.



**Bourgeois Bennett**

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors of The Private Industry  
Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.,  
Houma, Louisiana.

**Compliance**

We have audited the compliance of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc., (the P.I.C.), a component unit of Lafourche Parish Council, State of Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2000. The P.I.C.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the P.I.C.'s management. Our responsibility is to express an opinion on the P.I.C.'s compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the P.I.C.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the P.I.C.'s compliance with those requirements.

In our opinion, the P.I.C. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

## Internal Control Over Compliance

The management of the P.I.C. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the P.I.C.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and it's the operation that we consider to be material weaknesses.

This report is intended for the information and use of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Bougeon Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 30, 2000.

## **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)**

For the year ended June 30, 2000

<b><u>Federal Grantor/Pass- Through Grantor/Program Title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Federal Award/ Pass-Through Entity Identifying Number</u></b>	<b><u>Federal Expenditures</u></b>
<b>Department of Labor</b>			
<b><u>Pass-Through Payments:</u></b>			
<b><u>Louisiana Department of Labor:</u></b>			
Job Training Partnership Act Title II-A	17.250	98/99-31-II-A	\$ 540,131
Job Training Partnership Act Title II-B	17.250	98/99-31-II-B	111,716
Job Training Partnership Act Title II-C	17.250	98/99-31-II-C	471,381
Job Training Partnership Act Title III	17.246	98/99-31-III	374,230
Job Training Partnership Act Title III-N	17.246	931-97-09-175-2007-3N	40,972
Welfare-To-Work	17.253	F99	305,285
<b><u>Pass-Through Payments:</u></b>			
<b><u>Louisiana Department of Education:</u></b>			
Job Training Partnership Act Title II-A	17.250	7-08-175-3031-2	<u>26,655</u>
Total			<u><u>\$ 1,870,370</u></u>

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

June 30, 2000

### **Note 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

### **Note 2 - FINDINGS OF NONCOMPLIANCE**

There were no federal award findings or questioned costs reported during the audit for the year ended June 30, 2000.

### **Note 3 - DATA COLLECTION FORM**

The reconciliation of the Schedule of Expenditures of Federal Awards to the awards expended as reported in the Data Collection Form is as follows:

<u>CFDA Number</u>	<u>Pass-Through Grantor</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal Expenditure</u>
	Louisiana Department of Labor:		
17.246	Job Training Partnership Act Title III	98/99-31-III	\$ 374,230
17.246	Job Training Partnership Act Title III-N	931-97-09-175-2007-3N	<u>40,972</u>
	Amount expended through CFDA Number 17.246		<u>415,202</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**(Continued)**

**The Private Industry Council for the Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc.  
(d/b/a The Work Connection)**

June 30, 2000

**Note 3 - DATA COLLECTION FORM (Continued)**

<u>CFDA Number</u>	<u>Pass-Through Grantor</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal Expenditure</u>
17.250	Job Training Partnership Act Title II-A	98/99-31-II-A	540,131
17.250	Job Training Partnership Act Title II-B	98/99-31-II-B	111,716
17.250	Job Training Partnership Act Title II-C	98/99-31-II-C	471,381
	Louisiana Department of Education:		
17.250	Job Training Partnership Act Title II-A	7-08-175-3031-2	<u>26,655</u>
	Amount expended through CFDA Number 17.250		<u>1,149,883</u>
17.253	Welfare-To-Work	F99	<u>305,285</u>
	Total Federal Awards Expended		<u>\$1,870,370</u>

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)**

For the year ended June 30, 2000

#### **Section I Summary of Auditor's Results**

##### **a) Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

##### **b) Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes      X   no

##### **c) Identification of Major Programs:**

###### CFDA Number(s)

###### Name of Federal Program

17.246

Job Training Partnership Act Title III

17.250

Job Training Partnership Act Title II

17.253

Welfare-To-Work

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

(Continued)

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)**

For the year ended June 30, 2000

#### **Section I Summary of Auditor's Results (Continued)**

Dollar threshold used to distinguish between type A  
and Type B programs:

\$300,000

Auditee qualified as low-risk auditee?

  X   yes           no

#### **Section II Financial Statement Findings**

No financial statement findings were noted during the audit of the general-purpose financial statements for the year ended June 30, 2000.

#### **Section III Federal Award Findings and Questioned Costs**

No federal award findings or questioned costs were noted during the audit of the general-purpose financial statements for the year ended June 30, 2000.

## **REPORTS BY MANAGEMENT**

## **SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)**

For the year ended June 30, 2000

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were noted during the audit of the general-purpose financial statements for the year ended June 30, 1999.

No reportable conditions were reported during the audit of the general-purpose financial statements for the year ended June 30, 1999.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1999.

#### **Section II Internal Control and Compliance Material to Federal Awards**

No findings or questioned costs were noted during the audit of the general-purpose financial statements for the year ended June 30, 1999.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit of the general-purpose financial statements for the year ended June 30, 1999.

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

### **The Private Industry Council for the Terrebonne Consortium, Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)**

For the year ended June 30, 2000

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were noted during the audit of the general-purpose financial statements for the year ended June 30, 2000.

No reportable conditions were reported during the audit of the general-purpose financial statements for the year ended June 30, 2000.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 2000.

#### **Section II Internal Control and Compliance Material to Federal Awards**

No findings or questioned costs were noted during the audit of the general-purpose financial statements for the year ended June 30, 2000.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit of the general-purpose financial statements for the year ended June 30, 2000.